

***In the Senate of the United States,***

*October 8 (legislative day, October 2), 1998.*

*Resolved*, That the bill from the House of Representatives (H.R. 2616) entitled “An Act to amend title VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools.”, do pass with the following

**AMENDMENT:**

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2       *This Act may be cited as the “Charter School Expan-*  
3 *sion Act of 1998”.*

4 ***SEC. 2. INNOVATIVE CHARTER SCHOOLS.***

5       *Title VI of the Elementary and Secondary Education*  
6 *Act of 1965 (20 U.S.C. 7301 et seq.) is amended—*

7               *(1) in section 6201(a) (20 U.S.C. 7331(a))—*

8                       *(A) in paragraph (1)(C), by striking “and”*

9                       *after the semicolon;*

1                   (B) by redesignating paragraph (2) as  
2                   paragraph (3); and

3                   (C) by inserting after paragraph (1) the fol-  
4                   lowing:

5                   “(2) support for planning, designing, and initial  
6                   implementation of charter schools as described in part  
7                   C of title X; and”; and

8                   (2) in section 6301(b) (20 U.S.C. 7351(b))—

9                   (A) in paragraph (7), by striking “and”  
10                  after the semicolon;

11                  (B) by redesignating paragraph (8) as  
12                  paragraph (9); and

13                  (C) by inserting after paragraph (7) the fol-  
14                  lowing:

15                  “(8) planning, designing, and initial implemen-  
16                  tation of charter schools as described in part C of title  
17                  X; and”.

18 **SEC. 3. CHARTER SCHOOLS.**

19           (a) *PURPOSE.*—Section 10301(b) of the Elementary  
20           and Secondary Education Act of 1965 (20 U.S.C. 8061(b))  
21           is amended—

22                  (1) in paragraph (1)—

23                       (A) by inserting “planning, program” be-  
24                       fore “design”; and

25                       (B) by striking “and” after the semicolon;

1           (2) in paragraph (2), by striking the period and  
2           inserting “; and”; and

3           (3) by adding at the end the following:

4           “(3) expanding the number of high-quality char-  
5           ter schools available to students across the Nation.”.

6           (b) *CRITERIA FOR PRIORITY TREATMENT.*—Section  
7           10302 of such Act of 1965 (20 U.S.C. 8062) is amended—

8           (1) in subsection (c)(2)—

9                   (A) in subparagraph (A), by striking “and”  
10           after the semicolon;

11                   (B) in subparagraph (B), by striking the  
12           period and inserting “; and”; and

13                   (C) by adding at the end the following:

14                   “(C) not more than 2 years to carry out  
15           dissemination activities described in section  
16           10304(f)(6)(B).”;

17           (2) by amending subsection (d) to read as fol-  
18           lows:

19           “(d) *LIMITATION.*—A charter school may not receive—

20                   “(1) more than 1 grant for activities described in  
21           subparagraphs (A) and (B) of subsection (c)(2); or

22                   “(2) more than 1 grant for activities under sub-  
23           paragraph (C) of subsection (c)(2).”; and

24                   (3) by adding at the end the following:

25           “(e) *PRIORITY TREATMENT.*—

1 “(1) *IN GENERAL.*—

2 “(A) *FISCAL YEARS 1999, 2000, AND 2001.*—

3 *In awarding grants under this part for any of*  
4 *the fiscal years 1999, 2000, and 2001 from funds*  
5 *appropriated under section 10311 that are in ex-*  
6 *cess of \$51,000,000 for the fiscal year, the Sec-*  
7 *retary shall give priority to States to the extent*  
8 *that the States meet the criteria described in*  
9 *paragraph (2) and 1 or more of the criteria de-*  
10 *scribed in subparagraph (A), (B), or (C) of*  
11 *paragraph (3).*

12 “(B) *SUCCEEDING FISCAL YEARS.*—*In*  
13 *awarding grants under this part for fiscal year*  
14 *2002 or any succeeding fiscal year from any*  
15 *funds appropriated under section 10311, the Sec-*  
16 *retary shall give priority to States to the extent*  
17 *that the States meet the criteria described in*  
18 *paragraph (2) and 1 or more of the criteria de-*  
19 *scribed in subparagraph (A), (B), or (C) of*  
20 *paragraph (3).*

21 “(2) *REVIEW AND EVALUATION PRIORITY CRI-*  
22 *TERIA.*—*The criteria referred to in paragraph (1) is*  
23 *that the State provides for periodic review and eval-*  
24 *uation by the authorized public chartering agency of*  
25 *each charter school, at least once every 5 years unless*

1        *required more frequently by State law, to determine*  
2        *whether the charter school is meeting the terms of the*  
3        *school's charter, and is meeting or exceeding the aca-*  
4        *ademic performance requirements and goals for charter*  
5        *schools as set forth under State law or the school's*  
6        *charter.*

7                *“(3) PRIORITY CRITERIA.—The criteria referred*  
8        *to in paragraph (1) are the following:*

9                *“(A) The State has demonstrated progress,*  
10        *in increasing the number of high quality charter*  
11        *schools that are held accountable in the terms of*  
12        *the schools' charters for meeting clear and meas-*  
13        *urable objectives for the educational progress of*  
14        *the students attending the schools, in the period*  
15        *prior to the period for which a State educational*  
16        *agency or eligible applicant applies for a grant*  
17        *under this part.*

18                *“(B) The State—*

19                *“(i) provides for 1 authorized public*  
20        *chartering agency that is not a local edu-*  
21        *cational agency, such as a State chartering*  
22        *board, for each individual or entity seeking*  
23        *to operate a charter school pursuant to such*  
24        *State law; or*

1                   “(ii) *in the case of a State in which*  
 2                   *local educational agencies are the only au-*  
 3                   *thorized public chartering agencies, allows*  
 4                   *for an appeals process for the denial of an*  
 5                   *application for a charter school.*

6                   “(C) *The State ensures that each charter*  
 7                   *school has a high degree of autonomy over the*  
 8                   *charter school’s budgets and expenditures.*

9                   “(f) *AMOUNT CRITERIA.—In determining the amount*  
 10                  *of a grant to be awarded under this part to a State edu-*  
 11                  *cational agency, the Secretary shall take into consideration*  
 12                  *the number of charter schools that are operating, or are ap-*  
 13                  *proved to open, in the State.”.*

14                  “(c) *APPLICATIONS.—Section 10303 of such Act (20*  
 15                  *U.S.C. 8063) is amended—*

16                         *(1) in subsection (b)—*

17                                 *(A) in paragraph (1), by inserting “and”*  
 18                                 *after the semicolon;*

19                                 *(B) by redesignating paragraph (2) as*  
 20                                 *paragraph (3);*

21                                 *(C) by inserting after paragraph (1) the fol-*  
 22                                 *lowing:*

23                                 “(2) *describe how the State educational agency—*

24   *“(A) will inform each charter school in the*  
 25   *State regarding—*

1                   “(i) Federal funds that the charter  
2                   school is eligible to receive; and

3                   “(ii) Federal programs in which the  
4                   charter school may participate;

5                   “(B) will ensure that each charter school in  
6                   the State receives the charter school’s commensu-  
7                   rate share of Federal education funds that are  
8                   allocated by formula each year, including during  
9                   the first year of operation of the charter school;  
10                  and

11                  “(C) will disseminate best or promising  
12                  practices of charter schools to each local edu-  
13                  cational agency in the State; and”; and

14                  (D) in paragraph (3) (as redesignated by  
15                  subparagraph (B))—

16                         (i) in subparagraph (E), insert “plan-  
17                         ning, program” before “design”;

18                         (ii) in subparagraph (K), by striking  
19                         “and” after the semicolon;

20                         (iii) by redesignating subparagraph  
21                         (L) as subparagraph (N); and

22                         (iv) by inserting after subparagraph  
23                         (K) the following:

24                         “(L) a description of how a charter school  
25                         that is considered a local educational agency

under State law, or a local educational agency in which a charter school is located, will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act;

“(M) if the eligible applicant desires to use subgrant funds for dissemination activities under section 10302(c)(2)(C), a description of those activities and how those activities will involve charter schools and other public schools, local educational agencies, developers, and potential developers; and”;

(2) in subsection (c), by striking “10302(e)(1)

or”; and

(3) in subsection (d)(1)—

(A) by striking “subparagraphs (A) through (L)” and inserting “subparagraphs (A) through (N)”;

(B) by striking “subparagraphs (I), (J), and (K)” and inserting “subparagraphs (J), (K), and (N)”.

(d) ADMINISTRATION.—Section 10304 of such Act (20 U.S.C. 8064) is amended—

(1) in subsection (a)—

(A) in paragraph (4), by striking “and” after the semicolon;



1                   (B) in paragraph (5), by striking the period  
2                   and inserting a semicolon; and

3                   (C) by adding at the end the following:

4                   “(6) the number of high quality charter schools  
5                   created under this part in the State; and

6                   “(7) in the case of State educational agencies  
7                   that propose to use grant funds to support dissemina-  
8                   tion activities under section 10302(c)(2)(C), the qual-  
9                   ity of those activities and the likelihood that those ac-  
10                  tivities will improve student achievement.”;

11                  (2) in subsection (b)—

12                   (A) in paragraph (5), by striking “and”  
13                   after the semicolon;

14                   (B) in paragraph (6), by striking the period  
15                   and inserting “; and”; and

16                   (C) by adding at the end the following:

17                   “(7) in the case of an eligible applicant that pro-  
18                   poses to use grant funds to support dissemination ac-  
19                   tivities under section 10302(c)(2)(C), the quality of  
20                   those activities and the likelihood that those activities  
21                   will improve student achievement.”;

22                  (3) in subsection (f)—

23                   (A) in paragraph (1), by inserting before  
24                   the period the following: “, except that the State  
25                   educational agency may reserve not more than

1       10 percent of the grant funds to support dissemi-  
2       nation activities described in paragraph (6)”;

3               (B) in paragraph (2), by inserting “, or to  
4       disseminate information about the charter school  
5       and successful practices in the charter school,”  
6       after “charter school”;

7               (C) in paragraph (5), by striking “20 per-  
8       cent” and inserting “10 percent”; and

9               (D) by adding at the end the following:

10      “(6) DISSEMINATION.—

11              “(A) IN GENERAL.—A charter school may  
12      apply for funds under this part, whether or not  
13      the charter school has applied for or received  
14      funds under this part for planning, program de-  
15      sign, or implementation, to carry out the activi-  
16      ties described in subparagraph (B) if the charter  
17      school has been in operation for at least 3 con-  
18      secutive years and has demonstrated overall suc-  
19      cess, including—

20              “(i) substantial progress in improving  
21      student achievement;

22              “(ii) high levels of parent satisfaction;  
23      and

24              “(iii) the management and leadership  
25      necessary to overcome initial start-up prob-

1            *lems and establish a thriving, financially*  
2            *viable charter school.*

3            “(B) *ACTIVITIES.*—*A charter school de-*  
4            *scribed in subparagraph (A) may use funds re-*  
5            *served under paragraph (1) to assist other*  
6            *schools in adapting the charter school’s program*  
7            *(or certain aspects of the charter school’s pro-*  
8            *gram), or to disseminate information about the*  
9            *charter school, through such activities as—*

10            “(i) *assisting other individuals with*  
11            *the planning and start-up of 1 or more new*  
12            *public schools, including charter schools,*  
13            *that are independent of the assisting charter*  
14            *school and the assisting charter school’s de-*  
15            *velopers, and that agree to be held to at*  
16            *least as high a level of accountability as the*  
17            *assisting charter school;*

18            “(ii) *developing partnerships with*  
19            *other public schools, including charter*  
20            *schools, designed to improve student per-*  
21            *formance in each of the schools participat-*  
22            *ing in the partnership;*

23            “(iii) *developing curriculum materials,*  
24            *assessments, and other materials that pro-*  
25            *mote increased student achievement and are*

1                   *based on successful practices within the as-*  
 2                   *sisting charter school; and*

3                   “*(iv) conducting evaluations and devel-*  
 4                   *oping materials that document the success-*  
 5                   *ful practices of the assisting charter school*  
 6                   *and that are designed to improve student*  
 7                   *performance in other schools.”.*

8           (f) *NATIONAL ACTIVITIES.*—*Section 10305 of such Act*  
 9           *(20 U.S.C. 8065) is amended to read as follows:*

10   **“SEC. 10305. NATIONAL ACTIVITIES.**

11           “*(a) IN GENERAL.*—*The Secretary shall reserve for*  
 12           *each fiscal year the greater of 5 percent or \$5,000,000 of*  
 13           *the amount appropriated to carry out this part, except that*  
 14           *in no fiscal year shall the total amount so reserved exceed*  
 15           *\$8,000,000, to carry out the following activities:*

16                   “*(1) To provide charter schools, either directly or*  
 17                   *through State educational agencies, with—*

18                           “*(A) information regarding—*

19                                   “*(i) Federal funds that charter schools*  
 20                                   *are eligible to receive; and*

21                                   “*(ii) other Federal programs in which*  
 22                                   *charter schools may participate; and*

23                           “*(B) assistance in applying for Federal*  
 24                           *education funds that are allocated by formula,*

1           *including assistance with filing deadlines and*  
2           *submission of applications.*

3           “(2) *To provide for the completion of the 4-year*  
4           *national study (which began in 1995) of charter*  
5           *schools.*

6           “(3) *To provide for other evaluations or studies*  
7           *that include the evaluation of the impact of charter*  
8           *schools on student achievement, including information*  
9           *regarding—*

10               “(A) *students attending charter schools re-*  
11               *ported on the basis of race, age, disability, gen-*  
12               *der, limited English proficiency, and previous*  
13               *enrollment in public school; and*

14               “(B) *the professional qualifications of teach-*  
15               *ers within a charter school and the turnover of*  
16               *the teaching force.*

17           “(4) *To provide—*

18               “(A) *information to applicants for assist-*  
19               *ance under this part;*

20               “(B) *assistance to applicants for assistance*  
21               *under this part with the preparation of applica-*  
22               *tions under section 10303;*

23               “(C) *assistance in the planning and startup*  
24               *of charter schools;*

1                   “(D) training and technical assistance to  
2                   existing charter schools; and

3                   “(E) for the dissemination to other public  
4                   schools of best or promising practices in charter  
5                   schools.

6                   “(5) To provide (including through the use of 1  
7                   or more contracts that use a competitive bidding  
8                   process) for the collection of information regarding the  
9                   financial resources available to charter schools, in-  
10                  cluding access to private capital, and to widely dis-  
11                  seminate to charter schools any such relevant infor-  
12                  mation and model descriptions of successful pro-  
13                  grams.

14                  “(b) CONSTRUCTION.—Nothing in this section shall be  
15                  construed to require charter schools to collect any data de-  
16                  scribed in subsection (a).”.

17                  (g) COMMENSURATE TREATMENT; RECORDS TRANS-  
18                  FER; PAPERWORK REDUCTION.—Part C of title X of such  
19                  Act (20 U.S.C. 8061 et seq.) is amended—

20                         (1) by redesignating sections 10306 and 10307  
21                         as sections 10310 and 10311, respectively; and

22                         (2) by inserting after section 10305 the follow-  
23                         ing:

1 **“SEC. 10306. FEDERAL FORMULA ALLOCATION DURING**  
2 **FIRST YEAR AND FOR SUCCESSIVE ENROLL-**  
3 **MENT EXPANSIONS.**

4       “(a) *IN GENERAL.*—For purposes of the allocation to  
5 schools by the States or their agencies of funds under part  
6 A of title I, and any other Federal funds which the Sec-  
7 retary allocates to States on a formula basis, the Secretary  
8 and each State educational agency shall take such measures  
9 not later than 6 months after the date of enactment of the  
10 Charter School Expansion Act of 1998 as are necessary to  
11 ensure that every charter school receives the Federal funding  
12 for which the charter school is eligible not later than 5  
13 months after the charter school first opens, notwithstanding  
14 the fact that the identity and characteristics of the students  
15 enrolling in that charter school are not fully and completely  
16 determined until that charter school actually opens. The  
17 measures similarly shall ensure that every charter school  
18 expanding its enrollment in any subsequent year of oper-  
19 ation receives the Federal funding for which the charter  
20 school is eligible not later than 5 months after such expan-  
21 sion.

22       “(b) *ADJUSTMENT AND LATE OPENINGS.*—

23               “(1) *IN GENERAL.*—The measures described in  
24 subsection (a) shall include provision for appropriate  
25 adjustments, through recovery of funds or reduction of  
26 payments for the succeeding year, in cases where pay-

1        *ments made to a charter school on the basis of esti-*  
 2        *mated or projected enrollment data exceed the*  
 3        *amounts that the school is eligible to receive on the*  
 4        *basis of actual or final enrollment data.*

5            *“(2) RULE.—For charter schools that first open*  
 6        *after November 1 of any academic year, the State, in*  
 7        *accordance with guidance provided by the Secretary*  
 8        *and applicable Federal statutes and regulations, shall*  
 9        *ensure that such charter schools that are eligible for*  
 10       *the funds described in subsection (a) for such aca-*  
 11       *demic year have a full and fair opportunity to receive*  
 12       *those funds during the charter schools’ first year of*  
 13       *operation.*

14    **“SEC. 10307. SOLICITATION OF INPUT FROM CHARTER**  
 15            **SCHOOL OPERATORS.**

16        *“To the extent practicable, the Secretary shall ensure*  
 17        *that administrators, teachers, and other individuals di-*  
 18        *rectly involved in the operation of charter schools are con-*  
 19        *sulted in the development of any rules or regulations re-*  
 20        *quired to implement this part, as well as in the development*  
 21        *of any rules or regulations relevant to charter schools that*  
 22        *are required to implement part A of title I, the Individuals*  
 23        *with Disabilities Education Act (20 U.S.C. 1400 et seq.),*  
 24        *or any other program administered by the Secretary that*



1 *provides education funds to charter schools or regulates the*  
 2 *activities of charter schools.*

3 **“SEC. 10308. RECORDS TRANSFER.**

4       *“State educational agencies and local educational*  
 5 *agencies, to the extent practicable, shall ensure that a stu-*  
 6 *dent’s records and, if applicable, a student’s individualized*  
 7 *education program as defined in section 602(11) of the In-*  
 8 *dividuals with Disabilities Education Act (20 U.S.C.*  
 9 *1401(11)), are transferred to a charter school upon the*  
 10 *transfer of the student to the charter school, and to another*  
 11 *public school upon the transfer of the student from a charter*  
 12 *school to another public school, in accordance with applica-*  
 13 *ble State law.*

14 **“SEC. 10309. PAPERWORK REDUCTION.**

15       *“To the extent practicable, the Secretary and each au-*  
 16 *thorized public chartering agency shall ensure that imple-*  
 17 *mentation of this part results in a minimum of paperwork*  
 18 *for any eligible applicant or charter school.”.*

19       *(h) PART C DEFINITIONS.—Section 10310(1) of such*  
 20 *Act (as redesignated by subsection (e)(1)) (20 U.S.C.*  
 21 *8066(1)) is amended—*

22               *(1) in subparagraph (A), by striking “an ena-*  
 23 *bling statute” and inserting “a specific State statute*  
 24 *authorizing the granting of charters to schools”;*

1           (2) in subparagraph (H), by inserting “is a  
2           school to which parents choose to send their children,  
3           and that” before “admits”;

4           (3) in subparagraph (J), by striking “and” after  
5           the semicolon;

6           (4) in subparagraph (K), by striking the period  
7           and inserting “; and”; and

8           (5) by adding at the end the following:

9                   “(L) has a written performance contract  
10                  with the authorized public chartering agency in  
11                  the State that includes a description of how stu-  
12                  dent performance will be measured in charter  
13                  schools pursuant to State assessments that are  
14                  required of other schools and pursuant to any  
15                  other assessments mutually agreeable to the au-  
16                  thorized public chartering agency and the char-  
17                  ter school.”.

18          (i) *AUTHORIZATION OF APPROPRIATIONS.*—Section  
19          10311 of such Act (as redesignated by subsection (e)(1)) (20  
20          U.S.C. 8067) is amended by striking “\$15,000,000 for fiscal  
21          year 1995” and inserting “\$100,000,000 for fiscal year  
22          1999”.

23          (j) *TITLE XIV DEFINITIONS.*—Section 14101 of such  
24          Act (20 U.S.C. 8801) is amended—

1           (1) in paragraph (14), by inserting “, including  
2           a public elementary charter school,” after “residential  
3           school”; and

4           (2) in paragraph (25), by inserting “, including  
5           a public secondary charter school,” after “residential  
6           school”.

7           (k) *CONFORMING AMENDMENT.*—*The matter preceding*  
8           *paragraph (1) of section 10304(e) of such Act (20 U.S.C.*  
9           *8064(e)) is amended by striking “10306(1)” and inserting*  
10          *“10310(1)”.*

Attest:

*Secretary.*

105<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 2616**

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**AMENDMENT**

HR 2616 EAS—2

HR 2616 EAS—3

HR 2616 EAS—4

HR 2616 EAS—5